



# MAYOR AND COUNCIL AGENDA

NO. 2 |

DEPT.: Recreation and Parks

DATE: November 30, 2004

**ACTION:** Approval of Memorandum of Understanding  
With Rockville Arts Place for Fundraising  
Plan and for Lease of Approximately  
25,000 Square Feet of Space in the Planned  
Cultural Arts Building – Rockville Town Center

**ACTION STATUS:**

**FOR THE MEETING OF:** 12/6/04

INTRODUCED

PUB. HEARING

INSTRUCTIONS

APPROVED

EFFECTIVE

**ROCKVILLE CITY CODE,**

CHAPTER

SECTION

☐ CONSENT AGENDA

**RECOMMENDATION:** Staff recommends approval of the Memorandum of Understanding (MOU) with Rockville Arts Place for lease of approximately 25,000 square feet in the planned Cultural Arts Building in Town Center.

**IMPACT:** ☐ Environmental ☒ Fiscal ☒ Neighborhood ☐ Other:

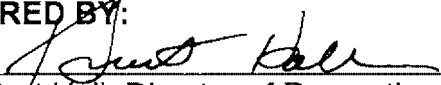
Fiscal: The MOU calls for the City to construct two floors of the planned Cultural Arts Building to a "warm dark shell" condition. The estimated construction cost is \$3 million. RAP will be responsible for all interior design and build out costs for the two floors, at an estimated cost of \$1.5 million. RAP will be responsible for all operating costs associated with their use of the space. The initial lease period will be twenty years.

Neighborhood: The presence of Rockville Arts Place in the Town Center is intended to significantly enhance the vibrancy of the Town Center, adding many many thousands of annual visits, and a variety of arts-related and cultural activities.

**BACKGROUND:** The MOU addresses agreements between RAP and the City on the following subjects and action plans. These agreements will be incorporated into a formal lease document in January 2006.

- Description of the building and RAP's dedicated space
- Ownership and management of the building
- Lease terms (time) and commencement date
- Rental rate
- Responsibilities of City and RAP for operating expenses
- Responsibilities of City and RAP for construction design and contracting
- RAP's responsibilities for fundraising to cover cost of interior build out
- Required schedule for RAP's fundraising
- RAP's responsibility to cover entire interior build out cost
- Option for RAP to purchase the portion of the building containing their premises
- Time frames for lease agreement signing, design, construction, interior build out and occupancy
- RAP's responsibility to operate continuously at a level acceptable to the City
- Signage – on the building and within Town Square
- RAP's naming rights for spaces within its premises
- Roof rights – for purposes of installing communication equipment
- Roof Garden – City to own and schedule – both parties to work together on rentals and activities
- RAP's street-level lobby space – design and usage
- RAP's rights to sublease space with City approval – sharing of revenue
- City's right to use public spaces in RAP's premises
- City's right to approve any proposed change to RAP name

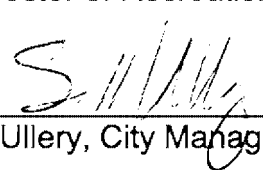
**PREPARED BY:**

  
Burt Hall, Director of Recreation and Parks

11-30-04

Date

**APPROVE:**

  
Scott Ullery, City Manager

12/01/04

Date

**LIST OF ATTACHMENTS:**

- Memorandum of Understanding
- RAP estimate of total visits to facility based on proposed schedule of events, programs, activities
- RAP description of usage of street-level retail space

November 29, 2004

Rockville Arts Place  
Board of Directors  
Debbie Moser, Executive Director  
9300 Gaither Road  
Gaithersburg, MD 20878

**RE: Rockville Arts Place  
Town Center Building**

Dear RAP Board of Directors and Executive Director:

The City of Rockville is pleased to submit the final version of the Memorandum of Understanding (MOU) to the Rockville Arts Place Board of Directors and Executive Director Moser for the leasing of a new facility to be located in the new Rockville Town Center. The terms and conditions contained in this MOU reflect the results of meetings that have occurred between RAP and the City of Rockville over the past ninety days. The terms and conditions contained herein shall be binding to both parties upon execution of this MOU. Additionally, the terms and conditions of this MOU provide the framework for a lease agreement, which will include greater detail on certain items as necessary.

**1. BUILDING:**

The building will be owned as a condominium. Federal Realty Investment Trust will own most of the first level, which will be leased for retail/restaurant uses. The City will own the 2<sup>nd</sup> and 3<sup>rd</sup> levels, and the space on the first level that will be leased to RAP for utilization as their lobby/entrance, gallery/shop, etc. If a 4<sup>th</sup> level is constructed, the lobby area on the 1<sup>st</sup> level may serve as an entrance to the 4<sup>th</sup> level user. The details as to how this lobby space would be shared will be negotiated and included in the lease agreement between the City and RAP.

Location: The Building shall be located along Newmarket St. adjacent to the new Library.

Size: The total Building shall consist of approximately 36,000 square feet on three (3) floors (with the option to construct a fourth floor of 13,000 square feet.

**2. PREMISES:**

RAP's Premises: Approximately 25,000 square feet. Approximately 1,800 square feet of retail space on the first (1<sup>st</sup>) floor and the balance to constitute all of the space on the second (2<sup>nd</sup>) and third (3<sup>rd</sup>) floors.

Remaining Space: The remaining first (1<sup>st</sup>) floor space shall be leased to retail tenants.

**3. TERM:**

The initial lease term shall be twenty (20) years. Upon agreement of both parties, the lease may be extended for four (4) additional terms of five years. The rental rate for the renewal options shall be one hundred and five percent (105%) of the rent being paid by RAP at the termination of the initial lease term or subsequent lease renewal term. In order to propose the exercise of a renewal option, the City will notify RAP in writing four (4) months in advance of the availability of the option.

**4. RENT COMMENCEMENT DATE:**

The Rent Commencement Date shall be six (6) months from the date that the City delivers a core & shell, or upon occupancy, whichever occurs first. The anticipated date of the delivery of the Core & Shell is September 1, 2006.

**5. RENTAL RATE:**

The rental rate to be paid by RAP during the initial lease term for the Premises shall be \$25,000 per year. The rental rate shall increase by 3% per year during the initial lease term. [Rental rate in Year 20 will be \$45,151.] Should RAP fail to keep its rental payments current, the City will have the right to terminate the lease, with reasonable notice, subject to RAP's right to cure, within 30 days any such default as will be provided for in a subsequent lease document.

**6. OPERATING EXPENSES:**

OE paid by City: The City, at its sole cost and expense, shall be responsible for the following operating and maintenance costs associated with the Building. This shall include, but not be limited to: 1) landscaping, 2) the façade of the building, 3) repair and maintenance of the roof, 4) repair and/or replacement of windows and doors leading to the exterior of the building, 4) maintenance and repair of the elevator(s), 5) repair and maintenance of the building's electrical and plumbing systems, which shall include electrical service that leads to RAP's circuit breaker panel(s) and plumbing lines that lead to the point where the plumbing service is stubbed during base building construction, and 6) the maintenance and removal of snow from the sidewalks, streets and parking areas surrounding the building. The City may employ the services of third party contractors to perform some or all of this work.

OE provided by City -- Paid by RAP: The City shall provide RAP with the following services, if requested by RAP, and RAP shall be responsible to reimburse the City for its actual costs to provide such services. These services shall include: 1) repair and replacement of lights and light fixtures, 2) repair and maintenance of the HVAC system, 3) repair and maintenance of the plumbing fixtures, 4) repair and maintenance of

the electrical system within the premises and 5) repair and replacement of ceiling tiles.

OE paid by RAP: RAP, at RAP's sole cost and expense, shall be responsible for payment of utilities, custodial maintenance, maintenance of its interior building elements and equipment, replacement of equipment as necessary, and all other operating expenses related to the operation of RAP's premises.

**7. CORE & SHELL DELIVERED BY CITY:**

The City, at its cost and expense, shall agree to provide the Premises to RAP in a warm dark shell condition to include the following:

- 1) HVAC Equipment, to include but not be limited to a chiller, and/or condenser, air handling units and related parts and equipment but no ductwork. (The size and quantity of the HVAC units to be provided shall be mutually agreed upon prior to the completion of Base Building plans.) If HVAC systems and/or equipment in excess of standard capacities are required, based on RAP's planned usage of the Premises, the additional cost to provide this additional capacity will be paid by RAP as part of the interior build out costs. RAP and the City shall agree to "standard capacities" and include said "standard capacities" in a final lease document.
- 2) One (1) oversized/handicap accessible elevator. The City agrees to work together with RAP to determine the number of elevators that will adequately service the Premises. If additional elevators are required based on RAP's planned usage of the Premises, the cost for the additional elevator(s) will be paid by RAP as part of the interior build out costs. If more than one (1) elevator is required due to the addition of a fourth (4<sup>th</sup>) floor or for any reason not related to RAP's specific use, then said elevator shall be provided at the City's sole cost and expense.
- 3) The core and shell of the building shall meet all handicap codes and regulations in effect at the time of its completion.
- 4) Utilities, to include gas, electric, sewer and water and phone, shall be stubbed to a central location within the building and chases shall be provided to run the utilities between the floors.
- 5) The City shall provide exterior lighting on the façade and around the building, and will consult with RAP prior to approving the exterior lighting plan.
- 6) The floors of the premises shall be an unfinished concrete slab with a live load capability that will adequately accommodate the intended use of the space and the equipment to be used within the space. If live load capacity in excess of standard capacities is required, based on RAP's planned usage of the Premises, the additional cost to provide this capability will be paid by RAP as part of the

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interior build out costs. RAP and the City shall agree to "standard live load capacities" and include said "standard live load capacities" in a final lease document.

- 7) The exterior and core walls shall be covered with unfinished drywall that has been taped and spackled.
- 8) A complete fire sprinkler system shall be installed including risers, main loop and temporary pendant sprinkler heads, turned up to deck, with the number of heads to be determined based on applicable National Fire & Safety Standards.
- 9) Building fire alarm, smoke detectors, exit lights, life safety and other code requirements to be installed and operational per City code, as required for a warm dark shell – not intended to meet requirements for final occupancy.
- 10) The main lobby and elevator(s) of the building shall be finished with materials that are mutually agreed upon by the City and RAP. If extra expenses for upgraded finish materials are required based on RAP's planned usage of the premises, the additional cost to provide these finishes will be paid by RAP as part of the interior build out costs.

**8. RAP BUILDOUT:**

RAP will be responsible for the costs related to the buildout of the Premises from the Shell Condition as provided above. RAP agrees to build out the entire building space dedicated to RAP's use, as described in Section 2 (Two).

**9. DESIGN/CONSTRUCTION:**

Base Building Design: The City shall be responsible for all aspects of the design and construction of the base building. RAP shall have the opportunity to work closely with the City in the design of the base building in order that RAP's requirements are adequately incorporated into the building.

Interior Space Design: RAP shall be responsible for all expenses related to the interior space design, and shall have the right to select the architect of their choice to design the layout of their Premises. RAP may elect to use the base building architect to design their premises. The City shall have the opportunity to work with RAP in the design of the interior spaces, in order that the City's requirements are adequately incorporated into the building. In addition, both parties agree that it will be necessary to accommodate within the design the ducts, shafts, and other requirements to meet the needs of the retail spaces on the first floor of the building. The City will use reasonable efforts to consolidate said

shafts, ducts, etc. into central locations in order to maximize the operational efficiency of the building.

The City and RAP agree that the design of the first floor lobby/gallery/retail space is of particular importance and must be designed so that it invites visitors and customers in an appealing manner to enter the RAP spaces located on the second and third floors. The City agrees that it will share in the cost of the design and buildout of the lobby if certain materials, equipment or design elements are required by the City.

Base Building Contractor: The City shall be responsible to select the base building contractor and all costs and expenses related to the base building contractor.

Interior Space Contractor: RAP shall have the right to select a contractor of their choice to construct the premises. RAP shall have the option of using the base building contractor to complete the work within the premises.

**10. FUNDRAISING BY RAP:**

RAP agrees that it will secure fundraising commitments for at least \$1,500,000 to cover the buildout costs and initial operating expenses. Fundraising commitments will be completed in accordance with the following schedule:

By January 31, 2005: RAP will provide the City with a Fund Raising Plan approved by RAP's Board of Directors.

Implementation of RAP's fundraising plan will commence within forty-five (45) days after submission to the City.

July 31, 2005: RAP will present an update of the fundraising activities to the City.

By January 31, 2006 RAP agrees that it will secure funding commitments of at least \$500,000. If RAP fails to achieve the amount of funding by this date, the City, at its option, may elect to terminate the agreement between the City and RAP, provided however, that if RAP is within \$100,000 of the required fund raising level, the City shall grant RAP a sixty (60) day extension to reach \$500,000. The City shall agree to commence construction of the building within three (3) months of RAP achieving the \$500,000 threshold, but in no event prior to July 1, 2005. For the purpose of this MOU, "funding" shall include private and public contributions as

evidenced by a donation commitment letter, loans, bonds and all other sources of money. RAP will provide to the City verification of receipt of funds, copies of the donation commitment letters and/or signed pledges.

July 31, 2006:

RAP agrees that it will secure funding commitments of at least \$1,000,000. RAP will provide to the City verification of receipt of funds, copies of the donation commitment letters and/or signed pledges. If RAP fails to achieve the amount of funding by this date, the City, at its option, may elect to terminate the agreement between the City and RAP, provided however, that if RAP is within \$100,000 of the required fund raising level, the City shall grant RAP a sixty (60) day extension to reach \$1,000,000.

January 31, 2007:

RAP agrees that it will secure funding commitments of at least \$1,500,000. RAP will provide to the City verification of receipt of funds, copies of the donation commitment letters and/or signed pledges. If RAP fails to achieve the amount of funding by this date, the City, at its option, may elect to terminate the agreement between the City and RAP, provided however, that if RAP is within \$100,000 of the required fund raising level, the City shall grant RAP a sixty (60) day extension to reach \$1,500,000.

**11. RAP RESPONSIBLE FOR ENTIRE BUILD OUT COST:**

RAP is responsible for completing the interior build out of the premises, the cost of which is estimated to be \$1,500,000. If the build out cost exceeds \$1,500,000, RAP is responsible to provide the additional funds to cover the additional build out expenses.

**12. INTERIOR BUILD OUT COST ESTIMATE:**

Upon completion of the design for interior build out of the premises, RAP will provide a construction cost estimate produced by an independent, professional cost estimator acceptable to the City, to determine whether the cost of the build out plan, as designed, is within the budget of \$1,500,000. If the cost estimate exceeds the budget, RAP will be responsible to make changes in the design to bring the costs within budget, or to agree to secure the necessary additional funding within the timelines provided above.

**13. PURCHASE OPTION:**

At anytime during RAP's lease term or any extension thereof, RAP shall have the right to purchase that portion of the building owned by the City. The purchase price shall be the City's initial cost of construction, or fair market value at the time of the purchase, whichever is greater. Fair market value will be determined by both parties obtaining a

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professional appraisal, at each party's expense. The purchase price shall be the average of the two appraised values.

If at anytime during the lease term or extension thereof, the City elects to sell its portion of the building, the City must first offer their portion of the building to RAP for purchase. The City agrees not to sell to another visual arts organization without written approval from RAP. If RAP purchases the City's portion of the building, and subsequently desires to sell all or a portion of the building, RAP must first offer their portion of the building to the City for purchase.

**14. TIME FRAMES:**

The following is a series of time frames not previously addressed in this MOU that both parties agree to use reasonable efforts to try to achieve:

MOU Executed by RAP and the City:	December 6, 2004
Fully Executed Lease Agreement:	When RAP secures at least \$500,000 in funding commitments.
Commence Initial Exterior Design of Building:	March 2005
Submit For Use Permit:	July 2005
Commence Preparation of Exterior Building CD's:	September 2005
Approve 50% Complete CD's:	90 days after CD process commences
Approve 100% Complete CD's:	150 days after CD process commences
Submit For Base Building Permit:	Upon completion of Base Building CD's
RAP to Start Interior Design Process:	Within 90 days of 100% approved exterior CD's
RAP to Complete Interior Design & Start CD's:	Within 120 days of commencing interior design work
Complete Interior CD's:	Within 180 days of commencing interior CD's
Submit for Interior Buildout Permit:	Upon completion of interior CD's
Commence Interior Construction:	Upon receipt of building permit

Complete Interior Construction	Within 180 days after receipt of building permit
Occupy and Begin Operation	Within 60 days after receipt of occupancy permit

**15. RAP OPERATION:**

RAP agrees to operate continuously during the entire lease period, and throughout any lease extension periods. Terms and definitions of what constitutes the minimal acceptable operations level will be included in the lease agreement. If RAP fails to maintain a reasonably acceptable level of operation, the City shall have the right to terminate the lease. RAP shall be provided with ninety (90) days advance notice of the City's intent to terminate the lease based on failure to operate at an acceptable level, during which time RAP will have the opportunity to bring its operations to level acceptable to the City.

**16. SIGNAGE:**

RAP, at RAP's expense, shall have the right to install signage on the exterior of the building and throughout those areas of the building occupied by RAP. Any signage on the exterior of the building must be approved by the City and receive all necessary permits. To the extent permitted by the City's sign ordinance, the City, at City's expense, shall provide directional signage to the building indicating RAP's presence from the parking, retail and other pertinent areas of the Town Center.

**17. NAMING RIGHTS FOR RAP'S PREMISES:**

An integral part of RAP's fundraising program will be the naming rights of RAP's premises within the building. RAP agrees that in order for any individual, business or foundation to have a portion of the its premises named for them, their contribution must equal or exceed the following schedule:

The building lobby will require a donation in excess of \$200,000

There shall be no restrictions on RAP's ability to offer naming rights for any portion of RAP's premises.

**18. ROOF RIGHTS:**

RAP shall have the right to use the roof for the purposes of installing satellite dishes and other communication devices, for RAP's sole use, with the City's approval of the location for said equipment. Installation must meet all code requirements. The City retains the right to use the roof for installation of communication devices, but shall use reasonable efforts to avoid installing equipment that may interfere with equipment installed by RAP.

If a roof space for public use ("roof garden") is constructed, this space will be owned, controlled, maintained and scheduled by the City. It may be desirable to rent sections of the building and the roof garden for events. For example, a wedding could be held in the roof garden with the reception in the gallery spaces. The City and RAP agree that terms will be worked out to share between RAP and the City the revenues derived from such combined rentals, with an appropriate split based on costs to support the uses of both spaces, plus profit. RAP may use the roof to host outdoor events, at a rental cost agreeable to both parties.

**19. FIRST FLOOR LOBBY/RETAIL SPACE:**

The approximately 1,800 square foot space on the first floor shall serve as a lobby and entrance to the RAP facilities. In this space, RAP will be responsible to provide for the operation of a gallery, a retail shop or a combination of the two. Any other types of uses of this space must be approved by the City. This space shall be open for business in accordance with hours mutually agreed upon by the City and RAP. Said operational hours shall be included in a subsequent lease document.

If a 4<sup>th</sup> level is constructed, the lobby area on the 1<sup>st</sup> level may serve as an entrance to the 4<sup>th</sup> level user. The details as to how this lobby space would be shared will be negotiated and included in the lease agreement between the City and RAP.

**20. SUBLEASING & ASSIGNMENT:**

RAP shall have the right to sublease or assign the Premises to another 501(C)(3) cultural arts organization or such other organization or business that may be approved by the City. RAP shall have the right to charge a subtenant a rent in excess of the rent being paid by RAP, but in no event in excess of an amount equal to RAP's rent plus the un-amortized portion of the buildout of the premises. If the amount of rental income obtained through such a sublease is in excess of the lease amount RAP is currently paying to the City, the amount in excess shall be split 50-50 between RAP and the City.

**21. CITY'S RIGHT TO USE PUBLIC SPACES FOR MEETINGS, EVENTS:**

The City shall have the right to use RAP's public spaces for meetings, social events, etc. The City will work with RAP to schedule these uses a minimum of thirty (30) days in advance, except where both parties agree on uses with less than thirty (30) days notice. The City's uses will be scheduled at dates and times that are agreeable to RAP so as not to cause significant disruption of RAP's operations. The City will reimburse RAP for its out of pocket expenses (staff, supplies, setup, cleanup) for these uses.

**22. RAP NAME:**

The City has the right to approve any change to RAP's name – "Rockville Arts Place."

\* \* \*

All terms and conditions set forth in this proposal shall be subject to the review and approval of the Mayor and Council of the City of Rockville and the RAP Board of Directors.

**Agree & Accepted:**

**City of Rockville, Maryland**

\_\_\_\_\_  
Scott Ullery, City Manager      Date

\_\_\_\_\_  
Witness

**Rockville Arts Place, Inc.**

\_\_\_\_\_  
Witness



## **Rockville Arts Place Facility Projections for Town Center Cultural Arts Center**

**Prepared for Rockville City Mayor and Council and Rockville City  
Staff**

**December 1, 2004**

Rockville Arts Place building utilization projections are the result of compiling information from its current programs, information from the Rockville Town Center Master Plan, information from Federal Realty Inc, and information from other successful art centers in the United States.

According to the Town Center Master Plan, the City of Rockville has positioned itself to take advantage of the trend towards shopping and dining as entertainment. The plan for new pedestrian shopping and restaurants, and new housing with higher income occupants will increase the number and quality of visitors to Rockville Arts Place substantially. The Master Plan projects that the daytime business population of downtown Rockville to be 230,000, with many of these staying into the evening hours. Within a ten-minute drive, the number increases to 406,000 residents that Rockville Town Square can serve.

Using Federal Realty's retail market profiles of the 5 miles surrounding downtown Rockville show that 72% of the median income is between \$50,000 to \$200,000. The target population median ages projections are 20% 0-17; 56% 18-54; and 22% over 54. Rockville Arts Place targets by both income (middle to upper middle) and median age 0 - (84) and these projections are very good for the arts center.

Information from the City of Alexandria shows that the Torpedo Factory draws 750,000 visitors from an overall 3 million visitors to their center. Using a similar percentage of 25% just the immediate 10 minute drive population of 406,000, Rockville Arts Place would have access to 101, 500 visitors. These numbers do not take into account the visitors that Rockville Arts Place or Town Square will attract from the surrounding regions.

The projections of building utilization are broken into 1 year and 2-3 year plans. The first floor retail space will house a medium to high-end craft and gift shop. The gift shop will occupy part of the 1,800 feet. The remaining portion will have to be designated for the entrance to the center. The gift shop will be open the same hours as the other retail shops in the Town Square. We have looked at various models show those typical sales of \$200 per square of space, which is considered conservative in the retail industry.

Rockville Arts Place is not waiting until the move back into town center to recognize the importance of detailed planning and new programming. Growth and expansion are happening right now. Programming has expanded to include two new camps this summer, programs to senior citizens, scout troops, and birthday parties. We have been selected as part of the National Clay Educators Conference in Baltimore to be the Washington site for a clay exhibition. Kenneth Trapp the former director of the Renwick Gallery curates this exhibition. The show has raised \$10,000 in contributions from patrons of the arts.

In addition, Rockville Arts Place held a major successful fundraiser in October, "The Art of Tea" which raised \$40,000. The board has expanded to 20 to include many

philanthropic and business oriented people. We have had recent coverage in the November 2004 Washington Post –the cover story in the weekend section.

For the past 18 years, Rockville Arts Place programs have been guided by the organization's desire to offer quality, arts opportunities that are accessible to all. Rockville Arts Place will be a destination center that will attract new visitors to the Town Square each year and help generate business for the Town Square.

# Rockville Arts Place-Downtown Center Room Utilization Year1

	<u>Events per Year</u>	<u>Days per Year</u>	<u>Average Utilization</u>	<u>Average Price</u>	<u>Average Patrons per Event</u>	<u>Average Spaces Sold</u>	<u>100% Attendance</u>	
							<u>Annual Income</u>	<u>Annual Income</u>
Adult Events Gallery Lectures	15	15	75%	\$20.00	40	600	\$12,000.00	\$9,000.00
Classes-Children	90	168	85%	\$125.00	15	1,350	\$168,750.00	\$143,437.50
Children's Film Program	24	16	0%	\$5.00	35	840	\$4,200.00	\$0.00
Children's Events- Parties	96	96	100%	\$250.00	15	96	\$24,000.00	\$24,000.00
Children's Events- Scout Troops	24	24	95%	\$8.00	10	240	\$1,920.00	\$1,824.00
Visiting Resident Artist Program	8	16	50%	\$350.00	15	120	\$42,000.00	\$21,000.00
Summer Teen/Adult Classes	25	60	85%	\$150.00		15 0	\$2,250.00 \$0.00	\$1,912.50 \$0.00
Children's Discovery Room Programs	15	340	75%	\$15.00	300	4,500 0	\$67,500.00 \$0.00	\$50,625.00 \$0.00
Classes/Workshops Adults	110	200	80%	\$200.00	20	2,200	\$440,000.00	\$352,000.00

Artist Studio	25 studios/45 artists	292	70%	\$350.00	2500	25	\$8,750.00	\$6,125.00
Main Gallery/event rental	26	52	25%	\$1,000.00	52	52	\$52,000.00	\$13,000.00
Reception room/event rental	26	13	25%	\$2,500.00	13	13	\$32,500.00	\$8,125.00
Friday Night Events	48	24	50%	\$20.00	40	24	\$480.00	\$240.00
Total Revenue							\$856,350.00	\$631,289.00

**\*\*Please note that these projections do not include camp and other offsite programs.**

**Rockville Arts Place-Downtown Center  
Room Utilization Years 2-3**

	<u>Events per Year</u>	<u>Days per Year</u>	<u>Average Utilization</u>	<u>Average Price</u>	<u>Average Patrons per Event</u>	<u>Average Spaces Sold</u>	<u>100% attendance</u>	
							<u>Annual Income</u>	<u>Annual Income</u>
Adult Events Gallery Lectures	15	15	95%	\$20.00	40	600	\$12,000.00	\$11,400.00
Classes-Children	90	168	85%	\$125.00	15	1,350	\$168,750.00	\$143,437.50
Children's Film Program	24	16	90%	\$5.00	35	840	\$4,200.00	\$3,780.00
Children's Events-Parties	96	96	100%	\$250.00	15	96	\$24,000.00	\$24,000.00
Children's Events-Scout Troops	24	24	95%	\$8.00	10	240	\$1,920.00	\$1,824.00
Visiting Resident Artist Program	8	16	90%	\$350.00	15	120	\$42,000.00	\$37,800.00
Summer Teen/Adult Classes	25	60	85%	\$150.00		15	\$2,250.00	\$1,912.50
Children's Discovery Room Programs	15	340	75%	\$15.00	300	4,500	\$67,500.00	\$50,625.00
Classes/Workshops Adults	110	200	80%	\$200.00	20	2,200	\$440,000.00	\$352,000.00

Artist Studio	25 studios/45 artists	292	100%	\$350.00	2500	25	\$8,750.00	\$8,750.00
Friday Night Events	48	48	85%	\$20.00	40	48	\$960.00	\$816.00
Main Gallery/event rental	26	52	55%	\$1,000.00	52	52	\$52,000.00	\$28,600.00
Reception room/event rental	26	52	55%	\$2,500.00	52	52	\$130,000.00	\$71,500.00
Total Revenue							\$954,330.00	\$736,445.00